

UNIVERSITAS INTERNASIONAL BATAM

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ANALYSIS OF FACTORS INFLUENCING INVESTMENT DECISION MAKING IN THE FORM OF TIMED DEPOSITS TOWARDS RURAL BANK IN BATAM CITY

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ABSTRACT

Investment decision making is one of the challenging activities for investors since one must pay attention to every factor that will be a barrier or supporter in their decision. In this case, timed deposits at Rural Banks in Batam are one of the investment instruments that can be chosen because the interest rates offered are relatively higher compared to commercial banks. The study was conducted to determine the effect of financial information, behavioral differences and financial perceptions owned by the public on investment decision making in the form of timed deposits at Rural Banks in Batam City.

The primary data needed in the study was collected through a structured questionnaire as a method of collecting research data with a sample aimed at 200 timed deposit investors at Rural Banks in Batam City. The method of regression analysis (multiple regression analysis) in SPSS software version 22 was applied to the study to determine the effect of income level, financial advice, information sources, herding bias, and risk perception on investment decisions.

The results of research on testing data from a predetermined sample revealed that income level, financial advice, herding bias, and risk perception have a significant positive influence on investment decisions, whereas information sources do not have a significant effect on investment decisions.

Keywords : *Investment decision, income, advice, information, herding, perception*